This document contains information referring to Projects:

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Dr. Brockway McMillan
Director
National Reconnaissance Office
Washington, D.C.

Dear Brock:

Your revised proposal of 10 December 1963 for management of the CORONA program raises several questions in my mind. I must go to
Monday and will not be able to give you my views until after the
year. In the meantime, I consider it essential that no action
be taken within the NRO or its contractor structure which might prejudice
our ability to implement other management approaches, and I therefore
desire that the status quo be maintained until I have further considered
the matter.

In our several recent discussions, I have emphasized to you, for
reasons which I felt were valid, that the resources of both the Central
Intelligence Agency and the Air Force in fields related to aerial photography
-- both aircraft and satellite -- must be preserved. Furthermore, I have
stated that these resources are not only in-house capabilities but also the
unique contractor capabilities which have been developed at the insistence
of CIA by encouragement and close and intimate working relationships.
The same is true of the relationship with consultants, scientists and
academicians. I have been informed by several sources that major con-
tractors no longer feel free to meet with CIA officials and discuss problems
which, through the years have been matters of mutual interest, without
first securing Air Force permission. This extends both to the problems
related to existing programs and to discussions of new concepts.

Any such limitation, whether the result of a directive from a
procurement officer or a subtle hint, would in my opinion violate the basic
tenet of the NRO agreement which provides for the full utilization of the
resources of both the Air Force and CIA. Therefore, I would like you,
during the next week, to make it abundantly clear to your staff, and to
General Greer and his staff, that any instruction or remark which carried
the above policy implications should be corrected forthwith. I, of course,
will take such action with the contractors as is appropriate to insure no
misunderstanding concerning the CIA's continued interest in reconnaissance.

Sincerely,

John A. McCone
Director
MEMORANDUM FOR The Director of Central Intelligence

As requested in your 13 December memorandum (DD/394-63), I have withheld the CORONA management changes proposed in my 10 December memorandum until you have had an opportunity to consider this matter further. I look forward to further discussions at your convenience.

I agree with you that the resources of both the Central Intelligence Agency and the Air Force in fields related to aerial photography—both aircraft and satellite—must be preserved. However, as I have pointed out in our previous discussions, although the Central Intelligence Agency did play an important part in the development of the original CORONA project, the Agency does not now possess an appreciable number of technical Agency employees who have made and are presently in a position to continue making constructive contributions to the management of the CORONA project. I would hope that no one contemplates rebuilding this in-house capability through hiring of personnel from participating contractors simply to argue for the continuance of divided project management responsibility.

I agree that contractors who hold CIA contracts for photographic reconnaissance are important national resources. However, I cannot
agree that they are CIA resources any more than they are Air Force resources, since, in the case at issue, both contractors have also held Air Force satellite reconnaissance contracts for a considerable period (1959 for Itek, 1956 for Lockheed).

As to your concern that "major contractors no longer feel free to meet with CIA officials and discuss problems which, through the years have been matters of mutual interest, without first securing Air Force permission," I would appreciate specific examples which prompt this statement. The only instance of which I am aware that conceivably could be at issue involved a request from the Deputy Director, Science and Technology to a contractor for a briefing on work being performed under an Air Force contract. The contractor prepared the desired briefing but stated that he would give it to appropriate Air Force officials prior to giving it to the Agency. As far as I am aware, this is standard procedure for both the CIA and the Air Force; some clearance is obtained by all contractors prior to compiling and releasing to any other Service or Agency specific information pertaining to their contractual effort. In the case of a briefing on work performed under an Air Force contract, I can see no objection to the briefing being given to an Air Force official as a prelude to its presentation to the CIA.

I can assure you of the most complete cooperation in the exchange of information pertaining to all NRO projects. I am sure that the
necessary order and discipline can be maintained without impeding this exchange in any way, and will appreciate specific information if any problems do arise.